

House Appropriations Committee Decision Document

Representative Greg Bonnen, Subcommittee Chair on Article III

Members: Representatives Gonzalez, Howard, Schaefer, Sherman, Stucky, VanDeaver, and Walle

Decisions as of February 25, 2019, 8:00 am

LBB Manager: Andy MacLaurin

Article III Public Education Total, Article III Public Education Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Texas Education Agency (703)</b>								
Total, Outstanding Items / Tentative Decisions	\$ 10,055,054	\$ 10,055,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Texas School for the Blind and Visually Impaired (771)</b>								
Total, Outstanding Items / Tentative Decisions	\$ 6,015,016	\$ 6,015,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	6.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Texas School for the Deaf (772)</b>								
Total, Outstanding Items / Tentative Decisions	\$ 28,783,520	\$ 28,783,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	8.0	8.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Special Provisions for the School for the Blind and Visually Impaired and School for the Deaf (S20)</b>								
Total, Outstanding Items / Tentative Decisions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Teacher Retirement System (323)</b>								
Total, Outstanding Items / Tentative Decisions	\$ 1,088,967,411	\$ 1,129,867,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	0.0	127.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Optional Retirement Program (32C)</b>								
Total, Outstanding Items / Tentative Decisions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Total, Article III Public Education Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 <u>2020-21 Biennial Total</u>		Pended Items <u>2020-21 Biennial Total</u>		Adopted <u>2020-21 Biennial Total</u>		Article XI <u>2020-21 Biennial Total</u>	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Total, Outstanding Items / Tentative Decisions</b>	\$ 1,133,821,001	\$ 1,174,721,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total GR &amp; GR-Ded Adopted Items less Cost-out Adjustments</b>	\$ 1,133,821,001	\$ 1,174,721,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalents / Tentative Decisions</b>	14.0	141.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Texas Education Agency (703) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
<b>Technical Adjustments:</b>								
1. Update Rider 24, Appropriations Limited Revenue Collections, to reflect updated estimates of other direct and indirect costs. Fiscal year 2020 will be changed from \$3,172,180 to \$2,722,435, and fiscal year 2021 will be changed from \$3,150,581 to \$2,718,914.								
<b>Agency Requests:</b>								
1. Windham School District Program Expansion: Funding initiatives include: a six percent teacher/staff pay raise (\$5.5 million), expanding female offender vocational programs (\$2.3 million), increased funding for industry certification programs (\$0.6 million), year-round school programming (\$1.0 million), and expanding apprenticeship programs (\$0.7 million).  House Bill 1 as Introduced provides \$104.4 million in General Revenue Funds for Windham School District.	\$ 10,055,054	\$ 10,055,054						

Article III Public Education Texas Education Agency (703) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 <u>2020-21 Biennial Total</u>		Pended Items <u>2020-21 Biennial Total</u>		Adopted <u>2020-21 Biennial Total</u>		Article XI <u>2020-21 Biennial Total</u>	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
2. Rider Request: The agency requests amendment of Rider 3, Foundation School Program Funding, to authorize the Commissioner to transfer FSP funds from the second year of the biennium to the first to the extent necessary to avoid reductions in state aid.  Currently, the Commissioner is required to have LBB and Governor's Office approval before making such a transfer. Such transfers were approved moving \$201 million of FY 2017 funds into FY 2016, and from \$101 million of FY 2019 funds into FY 2018.								
3. Rider Request: The agency requests amendment of Rider 39, Capital Budget Expenditures from Federal and Other Funding Sources, exempting TEA from Article IX capital budget limitations for major state data system revision projects to broaden its applicability to any project.								
4. Rider Request: New rider that would provide the agency with authority to transfer federal funds from a non-capital budget item to an existing or new capital budget item for the implementation of a unanticipated project, provided that the new project is 100 percent federally funded.								
5. Rider Request: Agency requests unexpended balance authority within the biennium for several non-FSP programs.								
<b>Subcommittee Revisions and Additions:</b>								

Article III Public Education Texas Education Agency (703) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 <u>2020-21 Biennial Total</u>		Pended Items <u>2020-21 Biennial Total</u>		Adopted <u>2020-21 Biennial Total</u>		Article XI <u>2020-21 Biennial Total</u>	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
1. As a conforming change to reflect amounts included in House Bill 1 as Introduced, add a new rider, Grants for Students with Autism, specifying that TEA shall use \$10.0 million in each fiscal year to provide grants for innovative services for students with autism.								
2. As a conforming change to reflect amounts included in House Bill 1 as Introduced, add a new rider, Grants for Students with Dyslexia specifying that TEA shall use \$10.0 million in each fiscal year to provide grants for innovative services for students with dyslexia.								
<b>Total, Outstanding Items / Tentative Decisions</b>	<b>\$ 10,055,054</b>	<b>\$ 10,055,054</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalents / Tentative Decisions</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Texas School for the Blind and Visually Impaired (771) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Agency Requests:</b>								
1. General Revenue Operating Funding: The agency requests GR to replace Appropriated Receipt base funding for residential programming, short-term programs, related and support services, statewide outreach, and campus operations.  During the 2018-19 biennium, the agency collected \$3.7 million less in Appropriated Receipts than were estimated in the 2018-19 GAA. House Bill 1 includes 2020-21 Appropriated Receipts funding at the actual collected 2018-19 levels. The agency has offset some of this decrease by drawing additional trust funds and is requesting GR funding to replace the remaining difference.	\$ 3,000,000	\$ 3,000,000						
2. Salary Increases for Direct Care Employees: The agency requests funding for an average 10.0 percent pay increase for Residential Specialists, Teacher Aides, and Nurses to decrease turnover and fill vacancies. (The agency indicates turnover rates for Teacher Aides and Residential Specialists II and IV are 18.9 percent, 15.0 percent, and 18.2 percent, respectively.)	\$ 1,282,574	\$ 1,282,574						
3. CAPPS Implementation: The agency requests an additional 6.0 FTEs in accounting, budget, procurement, and IT departments for transition to CAPPS financials.	\$ 732,442	\$ 732,442						

Article III Public Education Texas School for the Blind and Visually Impaired (771) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
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	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
4. Rider Request: Amend Rider 5, Cash Flow Contingency, and appropriate additional GR each fiscal year in of the 2020-21 biennium for TSBVI to use temporarily while waiting for federal reimbursement. Current rider only allows transfers of existing GR from the second to first year of the biennium and repays the transferred amount with federal reimbursements.	\$ 1,000,000	\$ 1,000,000						
<b>Subcommittee Revisions and Additions:</b>								
1. None.								
<b>Total, Outstanding Items / Tentative Decisions</b>	<b>\$ 6,015,016</b>	<b>\$ 6,015,016</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalents / Tentative Decisions</b>	6.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Texas School for the Deaf (772) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Technical Adjustments:</b>								
1. Add \$1.00 in General Revenue in FY 2020 to Strategy A.1.3, Related and Support Services to correct a rounding error in the mental health counselor's salary related to school safety funding.	\$ 1	\$ 1						
2. Revise Rider 4, Campus Safety and Security Funding to specify that \$325,000 of in Economic Stabilization Funds provided for school safety and security in FY 2020 shall be transferred to the Texas Facilities Commission, which maintains TSD facilities.								
<b>Agency Requests:</b>								
1. Additional Staff for Special Education Direct Services: The agency requests additional staff for classroom instruction and direct student support. Request includes 8.0 FTEs and \$952,522 in GR for nine additional teaching and special education support staff.	\$ 952,522	\$ 952,522						
2. Campus Furniture: Agency requests \$600,000 to replace student dorm and classroom furniture and \$500,000 for furniture for the newly constructed Toddler Learning Center and Central Services Building.	\$ 1,100,000	\$ 1,100,000						

Article III Public Education Texas School for the Deaf (772) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 <u>2020-21 Biennial Total</u>		Pended Items <u>2020-21 Biennial Total</u>		Adopted <u>2020-21 Biennial Total</u>		Article XI <u>2020-21 Biennial Total</u>	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
3. Transportation Items: TSD requests \$45,000 for vehicles, including \$20,000 for one utility truck and \$25,000 to purchase a 77-passenger school bus for daily transportation of local students.  Senate Bill 1 continues base GR funding of \$225,000, which is \$25,000 less than the cost of two 77-passenger vehicles TSD reports needing replacement in the upcoming biennium.	\$ 45,000	\$ 45,000						
4. Staff Salary Increase: Agency requests \$580,788 to grant 5 percent across-the-board salary increases to bus drivers, day and night residential educators, cafeteria, behavior support, teacher aides, security, and IT staff. According to TSD, current turnover rates for those employees are 15.4 percent, 29.0 percent, 28.6 percent, 26.3 percent, 14.3 percent, 10.8 percent, and 29.6 percent, respectively.	\$ 580,788	\$ 580,788						

Article III Public Education Texas School for the Deaf (772) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
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5. Master Plan Phase 2, New and Repurposed Facilities: TSD requests \$2,277,913 for Career and Technology (CTE) program classroom expansion, \$4,898,849 for rehabilitation of the Clinger Elementary Multipurpose Activity Space, \$9,258,959 for renovation of the Seeger Gymnasium, \$6,880,604 for construction of transitional housing for students aged 18-22, and \$2,788,884 for improvements to pedestrian and vehicle traffic circulation on campus.  Master Plan Phase 1 projects, including the Toddler Learning Center and Central Services Building, were funded with \$14.6 million in Economic Stabilization Funds in the 2018-19 biennium. If the 2020-21 request is funded, amounts would be transferred to Texas Facilities Commission (TFC), which manages TSD facilities.	\$ 26,105,209	\$ 26,105,209						
<b>Subcommittee Revisions and Additions:</b>								
1. None.								
<b>Total, Outstanding Items / Tentative Decisions</b>	<b>\$ 28,783,520</b>	<b>\$ 28,783,520</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalents / Tentative Decisions</b>	8.0	8.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Special Provisions for the School for the Blind and Visually Impaired and the School for the Deaf (S20) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 <u>2020-21 Biennial Total</u>		Pended Items <u>2020-21 Biennial Total</u>		Adopted <u>2020-21 Biennial Total</u>		Article XI <u>2020-21 Biennial Total</u>	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Agency Requests:</b>								
1. None.								
<b>Subcommittee Revisions and Additions:</b>								
1. None.								
<b>Total, Outstanding Items / Tentative Decisions</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalent / Tentative Decisions</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Teacher Retirement System (323) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
<b>Agency Requests:</b>								
1. Retirement Contribution Rate Increase. Funding sufficient to provide a cumulative 1.82 percent contribution rate increase in the 2020-21 biennium to make the Pension Trust Fund actuarially sound. (Note: \$1.1 billion request reflects TRS' estimate of the GR cost of the requested state contribution rate increase.)	\$ 1,088,967,411	\$ 1,088,967,411						
2. Investment Management Staff. Agency requests \$10.5 million in Pension Trust Funds (Other Funds) for 30.0 additional FTEs related to investment management.	\$ -	\$ 10,500,000						
3a. Customer Service and Administrative Support Staff: The agency requests \$16.0 million in Pension Trust Funds (Other Funds) for 97.0 additional FTEs, including 75.0 FTEs for Administrative Support and 22.0 for Benefits Services.  Recommendations in House Bill 1 as Introduced include an increase of 14.0 FTEs for Administrative Support and 29.0 FTEs for Benefits Services that were approved by the TRS Board during the 2018-19 biennium.	\$ -	\$ 16,000,000						
3b. Building Renovation: TRS requests \$8.0 million in Pension Trust Funds (Other Funds) for renovation of the agency's headquarters to create additional work stations and meeting rooms and to consolidate call center operations.		\$ 8,000,000						

Article III Public Education Teacher Retirement System (323) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
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	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
4. New Rider Request: Augmenting Customer Service Delivery and Investment Trust Performance. TRS requests a new rider authorizing the agency to increase its FTE count above the GAA limitation by fiduciary finding of the TRS Board. Rider would require TRS to provide justification for FTEs and annual progress reports to LBB and the Governor.								
5. New Rider Request and Appropriation: Unexpended Balance for Pension Trust Fund Capital Budget Items. Agency requests new rider granting UB authority of Pension Trust Funds remaining as of August 31, 2018 for capital budget projects, including the TEAM Program and CAPPs - Enterprise Resource Planning (ERP) funded in the 2018-19 GAA. Current UB estimates are \$500,000 for CAPPs and \$5.9 million for TEAM.		\$ 6,400,000						
<b>Subcommittee Revisions and Additions:</b>								
1. None.								
<b>Total, Outstanding Items / Tentative Decisions</b>	<b>\$ 1,088,967,411</b>	<b>\$ 1,129,867,411</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalents / Tentative Decisions</b>	0.0	127.0	0.0	0.0	0.0	0.0	0.0	0.0

Article III Public Education Optional Retirement Program (32C) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2020-21 Biennial Total		Pended Items 2020-21 Biennial Total		Adopted 2020-21 Biennial Total		Article XI 2020-21 Biennial Total	
	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
<b>Agency Requests:</b>								
1. None.								
<b>Subcommittee Revisions and Additions:</b>								
1. None.								
<b>Total, Outstanding Items / Tentative Decisions</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Article III Public Education	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Total, Full-time Equivalent / Tentative Decisions</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0